

ST. AMANT'S DCH, INC.

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/14/11

ST. AMANT'S DCH, INC.
FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2010

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report	1
FINANCIAL STATEMENTS:	
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	
Index	8
Notes	9
SUPPLEMENTARY INFORMATION:	
Schedule of Functional Expenses	14
Schedule of Expenditures of Federal Awards	15
Report on Compliance and Other Matters and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with <i>OMB Circular A-133</i>	18
Independent Auditors' Report on Claims for Reimbursement	20
Audited Statement of Claims	21

ST. AMANT'S DCH, INC.
FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2010

TABLE OF CONTENTS

	<u>Page No.</u>
Schedule of Meals Served and Program Reimbursements – September 30, 2010	22
Schedule of Meals Served and Program Reimbursements – September 30, 2009	23
Audited Statement of Monetary Claims and Questioned Costs	24
Schedule of Findings and Questioned Costs	25
Summary Schedule of Prior Year Findings.....	27
Management's Corrective Action Plan	28

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American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
St. Amant's DCH, Inc.
P. O. Box 451
Springfield, Louisiana 70462

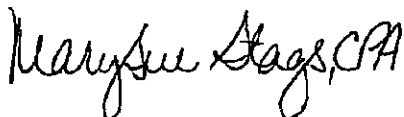
We have audited the accompanying statement of financial position of the Family Day Care Home Program of St. Amant's DCH, Inc. (a non-profit organization) as of September 30, 2010, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Family Day Care Home Program of St. Amant's DCH, Inc. as of September 30, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 9, 2011, on our consideration of the Family Day Care Home Program of St. Amant's DCH, Inc.'s internal control over financial reporting and on our tests of its compliance with laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of functional expenses and other schedules as listed in the table of contents under supplemental information are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

A handwritten signature in black ink that reads "Mary Sue Stages, CPA". The signature is written in a cursive, flowing style.

Mary Sue Stages, CPA
A Professional Accounting Corporation
February 9, 2011

FINANCIAL STATEMENTS

ST. AMANT'S DCH, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2010

<u>ASSETS</u>	<u>Administrative</u>	<u>General</u>	<u>Eliminations</u>	<u>Total</u>
Current Assets				
Cash and cash equivalents	\$ 58,727.16	\$ 4,443.19	\$ -	\$ 63,170.35
Due from Department of Education	638,818.89	-	-	638,818.89
Due from Administrative Fund	-	17,856.24	(17,856.24)	-
Total Current Assets	697,546.05	22,299.43	(17,856.24)	701,989.24
Non-Current Assets				
Capital assets	16,835.24	-	-	16,835.24
Less: accumulated depreciation	(16,835.24)	-	-	(16,835.24)
Total Non-Current Assets	-	-	-	-
TOTAL ASSETS	697,546.05	22,299.43	(17,856.24)	701,989.24
<u>LIABILITIES AND NET ASSETS</u>				
Current Liabilities				
Accounts payable	44,357.64	-	-	44,357.64
Payroll withholding/related payables	4,029.95	-	-	4,029.95
Due to providers	629,097.08	-	-	629,097.08
Due to Department of Education	2,205.14	-	-	2,205.14
Due to General Fund	17,856.24	-	(17,856.24)	-
Total Current Liabilities/Total Liabilities	697,546.05	-	(17,856.24)	679,689.81
Net Assets				
Unrestricted	-	22,299.43	-	22,299.43
TOTAL LIABILITIES AND NET ASSETS	697,546.05	22,299.43	(17,856.24)	701,989.24

See Accompanying Notes and Independent Auditors' Report

ST. AMANT'S DCH, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2010

<u>UNRESTRICTED NET ASSETS</u>	<u>Administrative</u>	<u>General</u>	<u>Total</u>
SUPPORT			
Administrative reimbursement	\$ 1,159,769.53	\$ -	\$ 1,159,769.53
Contributions	11,834.29	74,591.39	86,425.68
Fundraising	-	6,698.95	6,698.95
Total Support	1,171,603.82	81,290.34	1,252,894.16
NET ASSETS RELEASED FROM RESTRICTIONS			
Restrictions satisfied by payments	7,917,553.31	-	7,917,553.31
Total Unrestricted Support and Reclassifications	9,089,157.13	81,290.34	9,170,447.47
EXPENSES			
Program services	7,917,553.31	28,038.09	7,945,591.40
Supporting services	1,159,922.45	46,094.86	1,206,017.31
Total Expenses	9,077,475.76	74,132.95	9,151,608.71
Increase In Unrestricted Net Assets	11,681.37	7,157.39	18,838.76
<u>TEMPORARILY RESTRICTED NET ASSETS</u>			
Support from meal reimbursements	7,917,553.31	-	7,917,553.31
Net assets released from restrictions:			
Restrictions satisfied by payments	(7,917,553.31)	-	(7,917,553.31)
Increase in Temporarily Restricted Net Assets	-	-	-
CHANGE IN NET ASSETS	11,681.37	7,157.39	18,838.76
NET ASSETS (DEFICIT), BEGINNING OF YEAR	(11,681.37)	15,142.04	3,460.67
NET ASSETS, END OF YEAR	(0.00)	22,299.43	22,299.43

See Accompanying Notes and Independent Auditors' Report

ST. AMANT'S DCH, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2010

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from administrative reimbursement	\$ 1,194,569.02
Cash received from program reimbursement	7,923,697.91
Cash received from donations and fund raisers	81,290.34
Cash paid to suppliers for program/activity expenses	(8,336,110.00)
Cash paid to/on behalf of employees for services	(816,813.23)
Net Cash Provided by Operating Activities	<u>46,634.04</u>

CASH FLOWS FROM INVESTING ACTIVITIES

-

CASH FLOWS FROM FINANCING ACTIVITIES

-

INCREASE IN CASH AND CASH EQUIVALENTS

46,634.04

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR

16,536.31

CASH AND CASH EQUIVALENTS AT END OF YEAR

63,170.35

**RECONCILIATION OF CHANGE IN NET ASSETS TO
NET CASH PROVIDED BY OPERATING ACTIVITIES**

Change in net assets	18,838.76
Adjustments to Reconcile Change in Net Assets to Net Cash Used for Operating Activities:	
Depreciation	1,947.78
(Increase) decrease in assets:	
Due to/from Department of Education	40,609.23
Increase (decrease) in liabilities:	
Accounts payable	15,278.90
Accrued salaries payable	(32,909.18)
Payroll withholding/related payables	(9,594.06)
Due to providers	<u>12,462.61</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES

46,634.04

See Accompanying Notes and Independent Auditors' Report

NOTES TO FINANCIAL STATEMENTS

ST. AMANT'S DCH, INC.
INDEX TO NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

<u>Note No.</u>	<u>Description</u>	<u>Page No.</u>
1	Summary of Significant Accounting Policies.....	9
2	Cash and Cash Equivalents.....	10
3	Receivables	10
4	Accounts and Other Payables	10
5	Restrictions on Net Assets	11
6	Net Assets Released from Restrictions.....	11
7	Functional Allocation of Expenses	11
8	Concentrations.....	11
9	Related Party Transactions.....	12
10	Litigation.....	12
11	Subsequent Events	12

ST. AMANT'S DCH, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Family Day Care Home Program of St. Amant's DCH, Inc. (hereafter referred to as the Organization) was established to provide supervised provisions of meals. It serves an average of 1,612 homes each month to primarily low-income, disabled, elderly or other disadvantaged residents of Tangipahoa and surroundings parishes. It engages in the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226.

The significant accounting policies are as follows:

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Support and Expenses

The Organization reports administrative and program reimbursements on the accrual basis of accounting. The amounts due to providers are also reported on the accrual basis of accounting. A donor restriction applies to the program reimbursement, and the amount is shown as temporarily restricted net assets. When the donor restriction expires, that is, when the stipulated restriction ends by payments to the providers, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted reimbursements whose restrictions are met in the same reporting period are reported as unrestricted support.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. Advertising costs are expensed as incurred. There were no advertising costs during the year.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Statement Presentation

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117 "*Financial Statement of Not-For-Profit Organization*." Under SFAS No. 117, the Organization is required to report information regarding its net assets and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by this new statement, the Organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial

ST. AMANT'S DCH, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets in the year this standard was adopted.

Income Taxes

The Organization is a division of a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

Demand deposits	\$ <u>63,170.35</u>
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Of this amount, \$58,727.16 is maintained in the administrative and provider accounts to be utilized for the family day care home program. The remaining funds are held by the General Fund and can be utilized at the discretion of management.

NOTE 3 – RECEIVABLES

Receivables are stated at the amount the Organization expects to collect. Management considers all receivables to be collectible at September 30, 2010.

Receivables at year-end consist of the following:

Due from Department of Education	\$ <u>638,818.89</u>
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This represents the September 2010 reimbursement claim received in the subsequent month.

NOTE 4 – ACCOUNTS AND OTHER PAYABLES

Payables at year-end include the following:

Trade	\$ 44,357.64
Payroll and related	4,029.95
Providers	629,097.08
Department of Education (overclaims)	<u>2,205.14</u>
Total	<u>679,689.81</u>

Amounts due to and from the administrative and general funds were eliminated in the accompanying financial statements.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

NOTE 5 – RESTRICTIONS ON NET ASSETS

Substantially all of the restrictions on net assets relate to amounts requested from the State of Louisiana, Department of Education for reimbursement to the providers of meals through the Family Day Care Home Program of the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226. The amount due to providers requested but not yet received at year end has been accrued in the accompanying financial statements.

NOTE 6 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose during the year as follows:

Purpose restriction accomplished:

Meals provided	\$ <u>7,917,553.31</u>
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NOTE 7 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the program and supporting services have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated between the program and supporting services.

NOTE 8 – CONCENTRATIONS

Cash and Cash Equivalents. Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2010, the Organization did not have bank balances in excess of FDIC insured limits. However, the collected balances exceed these limits in the provider's account for a few days each month. The Organization accepts this risk.

Receivables and Revenues. All receivables recorded are due from the Louisiana Department of Education, Division of Nutrition Assistance. Approximately 99% of the Organization's support is paid by the Department of Education, State of Louisiana through the U.S. Department of Agriculture Food and Nutrition Services, Family Day Care Home Program, under 7 CFR Part 226.

Geographical Market. The Organization is approved to operate in the parishes of southeast Louisiana and neighboring parishes. Volume is dependent on the willing and eligible providers in these areas.

ST. AMANT'S DCH, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

NOTE 9 – RELATED PARTY TRANSACTIONS

Related party transactions are considered less-than-arms-length transactions requiring specific prior written approval. These include transactions in which one party to the transaction is able to control or substantially influence the actions of the other(s). While not limited to, these include an organization and a director, trustee, officer, key employee or immediate family either directly or through corporations, trusts or similar arrangements.

The Organization executed a lease for office space with Quad Area Community Action Agency, Inc. The Executive Director of this agency is the uncle of St. Amant's DCH, Inc.'s director. The Organization paid \$36,000 in lease payments to Quad Area Community Action Agency, Inc. for the year ended September 30, 2010.

NOTE 10 – LITIGATION

We are not aware of any pending or threatened litigation, claims or assessments that are required to be accrued or disclosed in the accompanying financial statements.

NOTE 11 – SUBSEQUENT EVENTS

There were no subsequent events that would materially impact the accompanying financial statements.

SUPPLEMENTARY INFORMATION

ST. AMANT'S DCH, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2010

<u>Account Name</u>	<u>Administrative Fund</u>		<u>General Fund</u>	
	<u>Program</u>	<u>Supporting</u>	<u>Program</u>	<u>Supporting</u>
Audit fee	\$ -	\$ 5,150.00	\$ -	\$ -
Bank charges	-	78.00	-	165.00
Claiming-on-line	-	28,578.75	-	-
Contributions	-	-	-	11,834.29
Employee benefits	-	152,615.19	-	-
Insurance	-	7,065.25	-	-
Inspections	-	-	24,828.00	-
Office supplies/expenses	-	159,828.76	-	22,680.64
Other expenses	-	3,020.59	-	9,917.75
Postage and printing	-	16,831.60	-	-
Provider reimbursement	7,917,553.31	-	3,210.09	-
Rental equipment/maintenance	-	31,813.20	-	-
Rent/occupancy	-	36,000.00	-	-
Salaries	-	571,345.02	-	-
Taxes - payroll	-	47,290.78	-	-
Telephone	-	19,037.56	-	-
Training - staff/provider	-	5,175.13	-	-
Travel	-	69,747.09	-	1,497.18
Utilities	-	6,345.53	-	-
Total Functional Expenses	7,917,553.31	1,159,922.45	28,038.09	46,094.86

See Independent Auditors' Report

ST. AMANT'S DCH, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2010

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U. S. Department of Agriculture Food and Nutrition Services Child and Adult Care Food Program	10.558	
Family Day Care Home Program		
Pass-Through State of Louisiana, Department of Education		
Program services		\$ 7,917,553.31
Supporting services		<u>1,159,769.53</u>
Total Expended		<u><u>9,077,322.84</u></u>

Notes to Schedules of Expenditures of Federal Awards
Year Ended September 30, 2010

Basis of Presentation

This schedule of expenditures of federal awards includes the federal grant activity of the Family Day Care Home Program and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audit of States, Local Governments and Non-Profit Organizations*.

See Independent Auditors' Report

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**REPORT ON COMPLIANCE AND OTHER MATTERS AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees of
St. Amant's DCH, Inc.
P. O. Box 451
Springfield, Louisiana 70462

We have audited the financial statements of the Family Day Care Home Program of St. Amant's DCH, Inc. (a non-profit organization) as of and for the year ended September 30, 2010, and have issued our report thereon dated February 9, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Family Day Care Home Program of St. Amant's DCH, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and questioned costs as item 2010.01.

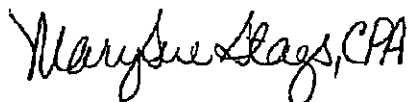
Internal Control over Financial Reporting

In planning and performing our audit, we considered the Family Day Care Home Program of St. Amant's DCH, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Family Day Care Home Program of St. Amant's DCH, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Family Day Care Home Program of St. Amant's DCH, Inc.'s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the agency, the Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA
A Professional Accounting Corporation
February 9, 2011

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Trustees of
St. Amant's DCH, Inc.
P. O. Box 451
Springfield, Louisiana 70462

Compliance

We have audited the compliance of the Family Day Care Home Program of St. Amant's DCH, Inc. (a nonprofit organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2010. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements referred to above is the responsibility of the Family Day Care Home Program of St. Amant's DCH, Inc.'s management. Our responsibility is to express an opinion on the Family Day Care Home Program St. Amant's DCH, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program identified in the accompanying schedule of findings and questions costs occurred. An audit includes examining, on a test basis, evidence about the Family Day Care Home Program of St. Amant's DCH, Inc.'s compliance with those requirements and performing such other

procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Family Day Care Home Program of St. Amant's DCH, Inc.'s compliance with those requirements.

In our opinion, the Family Day Care Home Program of St. Amant's DCH, Inc. complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs identified in the accompanying schedule of findings and questioned costs for the year ended September 30, 2010.

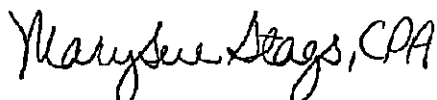
Internal Control Over Compliance

Management of the Family Day Care Home Program of St. Amant's DCH, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements referred to above. In planning and performing our audit, we considered the Family Day Care Home Program of St. Amant's DCH, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Family Day Care Home Program of St. Amant's DCH, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the Organization, the Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Mary Sue Stages, CPA
A Professional Accounting Corporation
February 9, 2011

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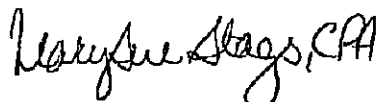
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Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT AUDITORS' REPORT
ON CLAIMS FOR REIMBURSEMENT

To the Board of Trustees of
St. Amant's DCH, Inc.
P. O. Box 451
Springfield, Louisiana 70462

We have examined the accompanying claims for reimbursements (Audited Statements of Claims attached) submitted by the Family Day Care Home Program of St. Amant's DCH, Inc. under FDCH. Our examination was made in accordance with auditing standards established by the AICPA and with generally accepted government auditing standards established by the Comptroller General of the United States and included tests of programs and accounting records prescribed by the USDA-OIG guide for audits of this program. In our opinion, the aforementioned claims present fairly the number of meals or supplements eligible for reimbursement for the period October 1, 2009 through September 30, 2010.



Mary Sue Stages, CPA
A Professional Accounting Corporation
February 9, 2011

ST. AMANT'S DCH, INC.
AUDITED STATEMENT OF CLAIMS
YEAR ENDED SEPTEMBER 30, 2010

REIMBURSEMENT PER AUDIT

Administrative	\$ 1,159,769.53
Program - meals	<u>7,917,553.31</u>
Total Reimbursement Per Audit	9,077,322.84

REIMBURSEMENTS CLAIMED AND RECEIVED

Administrative	1,159,769.53
Program - meals	<u>7,919,758.45</u>
Total Reimbursement Claimed and Received	<u>9,079,527.98</u>

(OVER) UNDER CLAIM	<u><u>(2,205.14)</u></u>
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See Independent Auditors' Report

ST. AMANT'S DCH, INC.
SCHEDULE OF MEALS SERVED AND PROGRAM REIMBURSEMENTS
YEAR ENDED SEPTEMBER 30, 2010

NUMBER SERVED BY MEAL TYPE						
MEALS SERVED	Breakfast	Lunch	Supplements	Supper	Total	
FROM OCTOBER 1, 2009 TO JUNE 30, 2010						
Tier 1	641,960	606,242	1,348,324	1,271,533	3,868,059	
Reimbursement rate	\$ 1.19	\$ 2.21	\$ 0.66	\$ 2.21		
Subtotal	\$ 763,932.40	\$ 1,339,794.82	\$ 889,893.84	\$ 2,810,087.93	\$	5,803,708.99
Tier 2	6,118	8,744	11,476	7,244	33,582	
Reimbursement rate	\$ 0.44	\$ 1.33	\$ 0.18	\$ 1.33		
Subtotal	\$ 2,691.92	\$ 11,629.52	\$ 2,065.68	\$ 9,634.52	\$	26,021.64
Total for period	\$ 766,624.32	\$ 1,351,424.34	\$ 891,959.52	\$ 2,819,722.45	\$	5,829,730.63
FROM JULY 1, 2010 TO SEPTEMBER 30, 2010						
Tier 1	176,218	265,307	464,624	439,662	1,345,811	
Reimbursement rate	\$ 1.19	\$ 2.22	\$ 0.66	\$ 2.22		
Subtotal	\$ 209,699.42	\$ 588,981.54	\$ 306,651.84	\$ 976,049.64	\$	2,081,382.44
Tier 2	2,221	3,132	3,912	2,065	11,330	
Reimbursement rate	\$ 0.44	\$ 1.34	\$ 0.18	\$ 1.34		
Subtotal	\$ 977.24	\$ 4,196.88	\$ 704.16	\$ 2,767.10	\$	8,645.38
Total for period	\$ 210,676.66	\$ 593,178.42	\$ 307,356.00	\$ 978,816.74	\$	2,090,027.82
TOTAL MEALS SERVED	826,517	883,425	1,828,336	1,720,504	5,258,782	
TOTAL REIMBURSEMENT	\$ 977,300.98	\$ 1,944,602.76	\$ 1,199,315.52	\$ 3,798,539.19	\$	7,919,758.45
Overclaim					\$	(2,205.14)
NET REIMBURSEMENT					\$	7,917,553.31

See Independent Auditors' Report

ST. AMANT'S DCH, INC.
SCHEDULE OF MEALS SERVED AND PROGRAM REIMBURSEMENTS
YEAR ENDED SEPTEMBER 30, 2009

NUMBER SERVED BY MEAL TYPE						
MEALS SERVED	Breakfast	Lunch	Supplements	Supper	Total	
FROM OCTOBER 1, 2008 TO JUNE 30, 2009						
Tier 1	584,117	541,159	1,235,155	1,172,407	3,532,838	
Reimbursement rate	\$ 1.17	\$ 2.18	\$ 0.65	\$ 2.18		
Subtotal	\$ 683,416.89	\$ 1,179,726.62	\$ 802,850.75	\$ 2,555,847.26	\$ 5,221,841.52	
Tier 2	6,236	9,395	12,798	8,992	37,421	
Reimbursement rate	\$ 0.43	\$ 1.31	\$ 0.18	\$ 1.31		
Subtotal	\$ 2,681.48	\$ 12,307.45	\$ 2,303.64	\$ 11,779.52	\$ 29,072.09	
Total for period	\$ 686,098.37	\$ 1,192,034.07	\$ 805,154.39	\$ 2,567,626.78	\$ 5,250,913.61	
FROM JULY 1, 2009 TO SEPTEMBER 30, 2009						
Tier 1	163,542	256,478	446,367	425,396	1,291,783	
Reimbursement rate	\$ 1.19	\$ 2.21	\$ 0.66	\$ 2.21		
Subtotal	\$ 194,614.98	\$ 566,816.38	\$ 294,602.22	\$ 940,125.16	\$ 1,996,158.74	
Tier 2	1,806	3,345	4,086	2,766	12,003	
Reimbursement rate	\$ 0.44	\$ 1.33	\$ 0.18	\$ 1.33		
Subtotal	\$ 794.64	\$ 4,448.85	\$ 735.48	\$ 3,678.78	\$ 9,657.75	
Total for period	\$ 195,409.62	\$ 571,265.23	\$ 295,337.70	\$ 943,803.94	\$ 2,005,816.49	
TOTAL MEALS SERVED	755,701	810,377	1,698,406	1,609,561	4,874,045	
TOTAL REIMBURSEMENT	\$ 881,507.99	\$ 1,763,299.30	\$ 1,100,492.09	\$ 3,511,430.72	\$ 7,256,730.10	
Overclaim					\$ (1,870.28)	
NET REIMBURSEMENT					\$ 7,254,859.82	

See Independent Auditors' Report

ST. AMANT'S DCH, INC.
AUDITED STATEMENT OF MONETARY CLAIMS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2010

<u>DETAIL NUMBER</u>	<u>DESCRIPTION OF EXCEPTION</u>	<u>AMOUNT</u>
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	None	
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ST. AMANT'S DCH, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2010

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Family Day Care Home Program of St. Amant's DCH, Inc.
2. No material weaknesses were identified during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Family Day Care Home Program of St. Amant's DCH, Inc. were disclosed during the audit.
4. No material weaknesses were identified during the audit of the major federal award programs.
5. The auditor's report on compliance for the major federal award programs for the Family Day Care Home Program of St. Amant's DCH, Inc. expresses an unqualified opinion.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The programs tested as major programs included: U.S. Department of Agriculture Food and Nutrition Services, Child and Adult Care Food Program (10.558).
8. The threshold for distinguishing Types A and B programs was \$500,000.
9. The Family Day Care Home Program of St. Amant's DCH, Inc. qualified as a low-risk auditee.

FINANCIAL STATEMENT AUDIT

2010-01 Compliance with Audit Law

Criteria. Louisiana Revised Statute 24:513 requires that an audited financial statement be submitted to the Legislative Auditor within six months of the close of an entity's fiscal year. This equates to March 31st for the Organization. This deadline was not met for the year ended September 30, 2010.

Condition. Because the Organization has never reported to the Legislative Auditor but to the Federal Clearinghouse and Louisiana Department of Education with a deadline of June 30th, there were no policies in place to report by March 31st.

Impact. The District is not in compliance with applicable laws.

ST. AMANT'S DCH, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2010

Recommendation. We recommend that the books and records be provided no later than November 15th for completion to the Legislative Auditor by March 31st.

Management's Response. We will comply with this recommendation.

MAJOR FEDERAL AWARDS PROGRAM AUDIT

None

ST. AMANT'S DCH, INC.
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED SEPTEMBER 30, 2010

Section I Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Financial Statement Findings

N/A

Section IV Management Letter

N/A

**ST. AMANT'S DCH, INC.
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED SEPTEMBER 30, 2010**

Section I Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Financial Statement Findings

2010-01 Compliance with Audit Law

Please refer to Management's Response in the schedule of findings and questioned costs.